

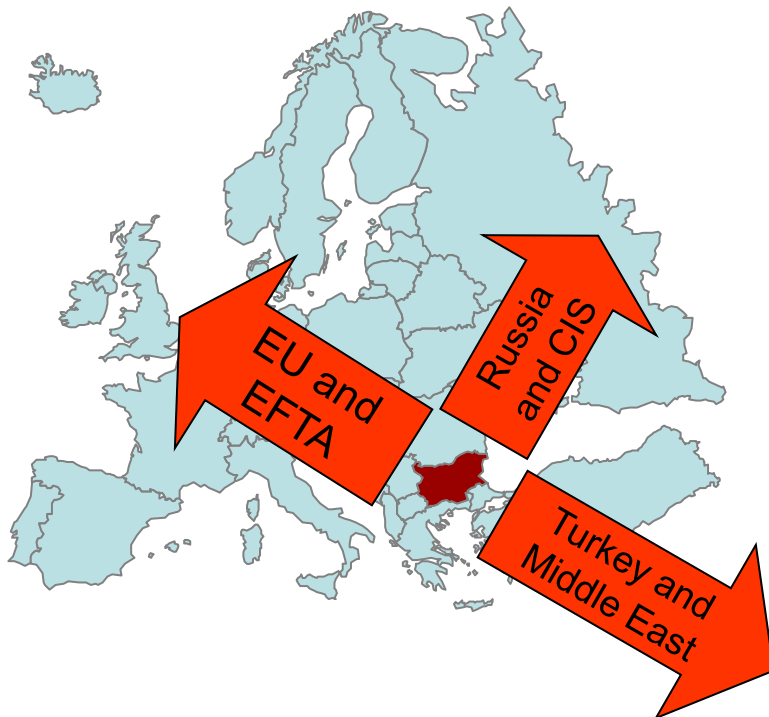


Why do business with Bulgaria?

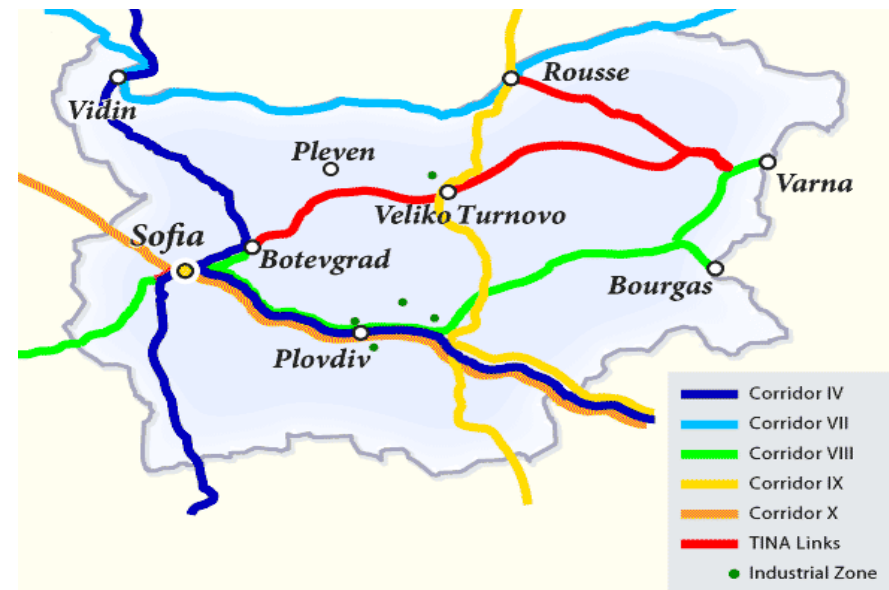
Utah-Europe Days 2013

Bulgaria is only 3 hours flight from all major destinations in Europe, Russia and the Mediterranean region

Strategic geographic location



Major transport corridors passing through Bulgaria



Timeline...

- 1994: US-Bulgaria Bilateral Investment Treaty
- 1996-97: financial crisis: hyperinflation and devaluation of the Bulgarian currency (BGN) and subsequent fiscal tightening; introduction of a currency board, the BGN pegged to the Deutsche Mark (now the Euro)
- 1999: privatization peaked (and again in 2004)
- 2004: NATO member
- 2007: EU member
- 2009: US – Bulgaria Treaty on Avoidance of Double Taxation
- 2012: US visa issuance for Bulgarian citizens streamlined

Bulgaria enjoys one of the most stable political and economic environments in Southeastern Europe

- Bulgaria is a member of some of the most prestigious political organizations
 - European Union member since 2007
 - NATO member since 2004
 - WTO member since 1996
- Strong commitment to political reform and transparency has earned praise from leading media and experts worldwide
- Stable currency
 - Bulgarian Lev has been pegged to the Euro since the adoption of the currency in 2002
 - Currency board backed by IMF



„While governments across the euro-zone periphery are on the ropes or have been felled by the economic crisis, Prime Minister Boyko Borisov's government has drawn international accolades for cutting spending while maintaining high levels of public support.”

September 10, 2011

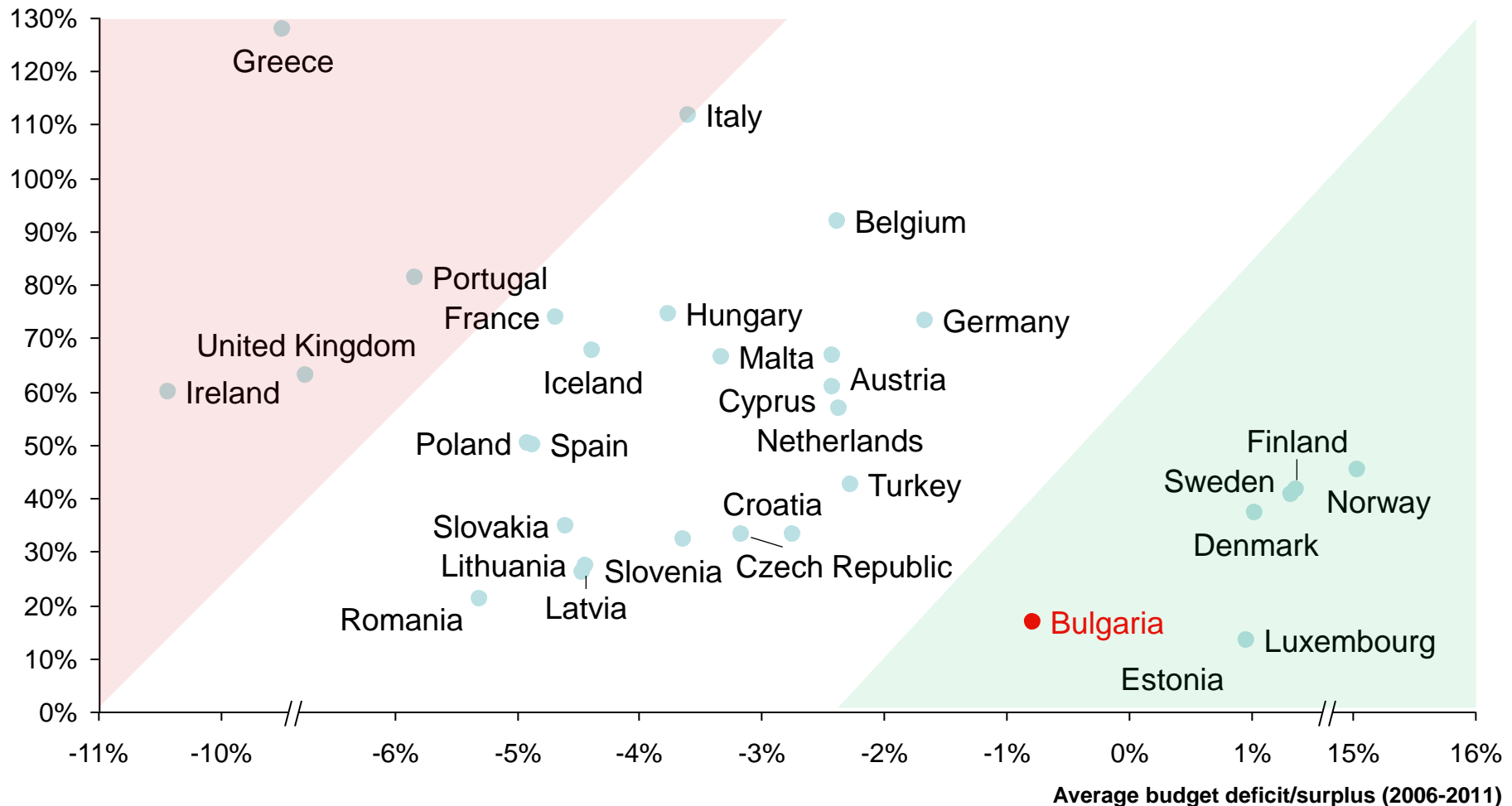
**STANDARD
& POOR'S**

Standard & Poor's ratings agency raised its short-term foreign and local currency sovereign credit ratings on Bulgaria to 'A-2' from 'A-3' based on its recently adopted methodology. The agency also affirmed our 'BBB' long-term foreign and local currency sovereign credit ratings. The outlook is stable.

August 10, 2012

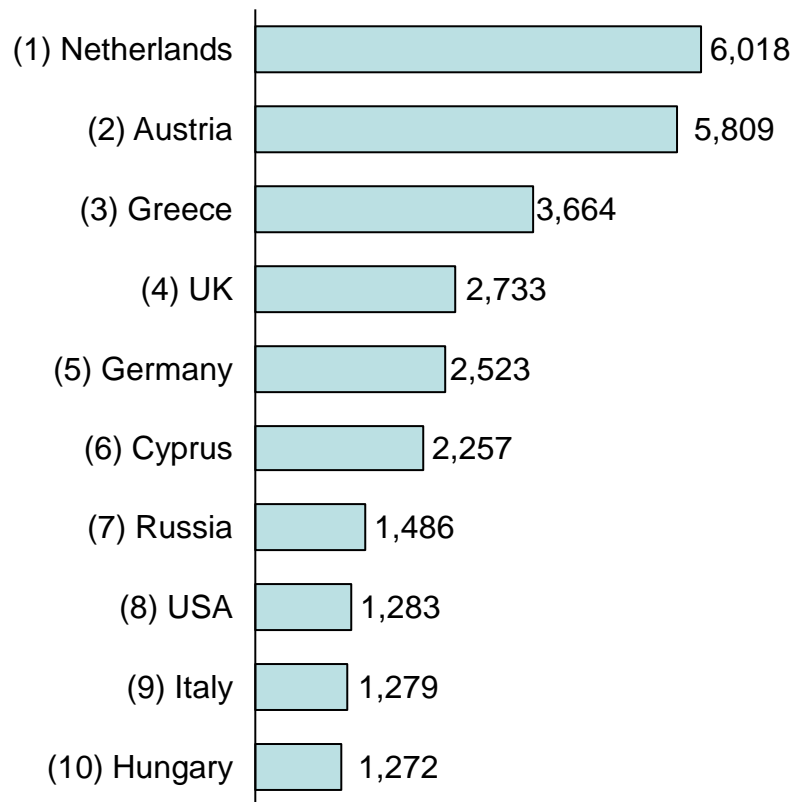
Government financial indicators are remarkable not only in the region, but on a pan-European scale

Average government debt (2006-2011)

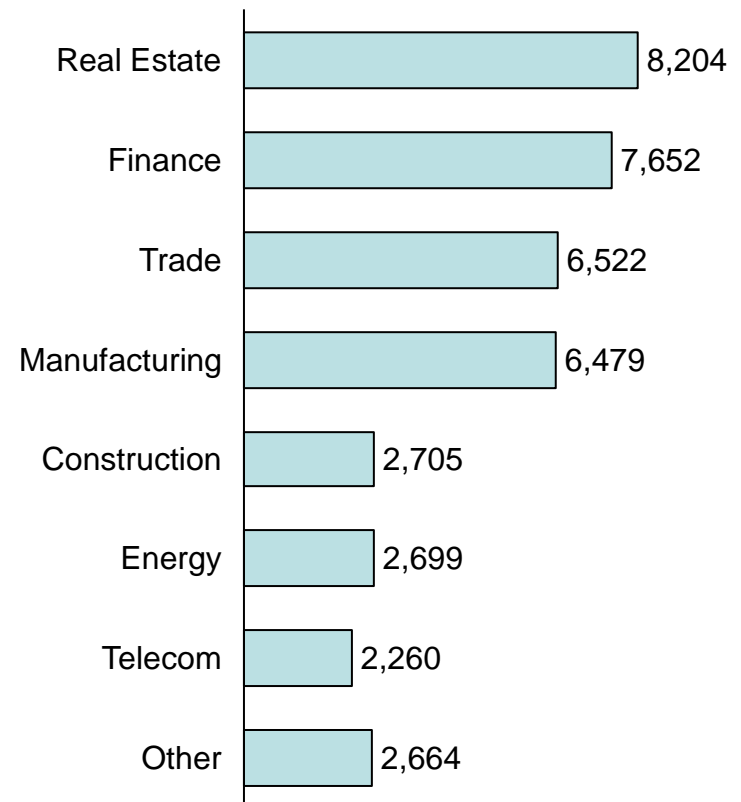


FDI in Bulgaria comes mostly from EU countries and is concentrated in four main sectors

FDI by host country, 1996-2011 (€ mln.)



FDI flows by industry, 1996-2011 (€ mln.)



Attractive FDI sectors

- Services:

- Transport and Logistics
- Information technologies
- Outsourcing of business processes
- Health and tourism related to healthy lifestyle



- Industry:

- Transport equipment and machine building
- Electronics and Electrical engineering
- Chemical industry
- Food and Agriculture



- Resources:

- Mining
- Oil
- Alternative energy



Leading global investors have chosen Bulgaria as an FDI destination

IT & BPO



Mechanical and Electrical Engineering



Construction Materials



Telecom and Media



Energy



Finance



So why do business in Bulgaria?

- Political and business stability
 - EU and NATO member
 - Currency board
 - Low budget deficit and government debt
- Low cost of doing business
 - 10% flat corporate tax rate
 - Lowest costs of labor, energy and rent within EU
- Access to markets
 - European Union / EFTA
 - Russia
 - Turkey / Middle East
- Educated and skilled workforce
- Government incentives



Key points of contact in Bulgaria

- InvestBulgaria Agency – www.investbg.government.bg
- Bulgarian Chamber of Commerce & Industry – www.bcci.bg
- Bulgarian Industrial Association – www.bia-bg.com
- Bulgarian National Bank – www.bnb.bg
- American Chamber of Commerce – www.amcham.bg
- Independent Economic Portal – www.econ.bg

